

Acknowledgement

I would like to express my thanks to the many individuals who furnished information and/or assisted with the preparation of this final report. Without their consistent help and effort, I could not have accomplished the preparation of the numerous facts and figures herein presented.

The staff of the Rochester State Hospital have worked without self interest to effect a sensible and orderly closure of the hospital. To each go my deep appreciation and thanks for a task which was neither easy nor financially/professionally beneficial to them.

It was very difficult to be part of the dismantling process of our fine hospital. Equally difficult was to see the disbursement of the excellent staff. It takes many years to build a staff such as ours, I doubt a state hospital will ever again see such an array of talent, ability and professionalism.

There were no major problems encountered in the closure. Once a timetable had been approved, the closure schedule was accomplished with the full cooperation of all. I believe this points out the caring attitude and perseverance of the excellent employees of the Rochester State Hospital.



Robert F. Rosenthal
Hospital Administrator

CLOSURE OF ROCHESTER STATE HOSPITAL

On June 1, 1981, the Department of Public Welfare appropriation bill passed by the State legislature requiring the closing of Rochester State Hospital was signed by the Governor.

Exhibit A is a copy of that part of the legislative bill.

This legislation called for the closing of the Surgical Unit and the Chemical Dependency Treatment Unit by July 1, 1981. The remaining units serving the mentally ill and the mentally retarded were to be closed no later than June 30, 1982.

The timetable for the closure as developed by the hospital was accepted on September 2, 1981. This timetable appears as Exhibit B.

From the period May 1, 1982 (as shown on the timetable) until June 29, 1982, some employees were retained to complete the closing of buildings and assist with the distribution of equipment and supplies.

The hospital was officially closed on June 29, 1982.

SHORT HISTORY OF
ROCHESTER STATE HOSPITAL
1879 - 1982

Statutory Authority

The Rochester State Hospital was created by Minnesota Statute 253.015 and 254.05. The hospital was formally established in 1879 as the second hospital for the insane.

History

Authorized for construction in 1876, the hospital was to be an asylum for inebriates, financed by liquor license fees. After three years of overwhelming opposition to the law by saloon keepers and others, the asylum was never opened. In 1879, with an operating farm and a vacant patient admission building, the asylum was designated as the Second Hospital for the Insane,

The original building lay in an east-to-west direction where the Religious Activity Center is now located. Additions to the original building and other buildings were constructed as the demand for space grew with the rising patient population.

A self-contained and almost self-providing hospital for many years, little was offered to the patients except care, custody and work. Attendants lived in the hospital and supervised the patients at work. Economically, costs of operation were very low.

In 1949, an ambitious reconstruction program was launched. Ten new buildings were constructed including seven patient buildings, a service building, power plant and slaughter house. Eleven staff residences and a 25-stall garage were constructed for employees who resided on campus.

In 1954, the patient population reached its peak of 1800 patients. With the advent of psychotropic medication, the availability of nursing home beds and a more liberal public attitude toward mental illness, the patient population began to decrease. As beds became available within the hospital, programs for the mentally retarded, chemically dependent and a state-wide surgical program were begun.

By 1961, the rebuilding program was halted due to the decline in the need for state hospital beds. At the time of the announced closure, the hospital had 375 patient/residents. Exhibit C is a map of the hospital's location in the City of Rochester. Exhibit D is a map of the hospital's buildings and grounds.

Service Region

The hospital served the southeastern portion of Minnesota. Exhibits E and F indicate the counties served at the time of closure.

PATIENT/RESIDENT SERVICES

Surgical Unit

The surgical unit was licensed for 35 beds and had 53.7 positions at the time of closing. The unit provided in and out-patient surgical services to all of the state hospitals and some correctional institutions. With the assistance of surgeons, physicians and consultants from the Mayo Clinic, the unit provided all types of surgery except open-heart and organ transplants. The unit was one of the first to be closed which took place on June 30, 1981.

Patients were admitted up to two weeks before the closing date provided they could be returned to their home hospital on or before June 30, 1981. The unit was closed without incident. The only problem associated with the closing is the disposition of the specialized equipment and supplies not needed by other state hospitals or agencies. The disposition of these items are addressed in the section on Equipment Dispersal.

Chemically Dependent Unit

At the time of closure, this unit was undergoing an extensive administrative review. This was necessary after the release of a report by the Department of Public Welfare severely criticizing the unit's management and operation. The population at the time the closure was announced was 17 patients. The capacity of this unit was 55 beds.

The unit provided a 40 day primary treatment program for alcohol and drug abuse. The unit was part of a continuum of services available in southeastern Minnesota to those individuals who are chemically dependent.

Admissions were stopped immediately. Those patients in the unit were allowed to complete their treatment plan and/or transferred to other facilities. The unit closed without any major problems.

Units for the Mentally Retarded

The unit for the mentally retarded consisted of 4 units divided into twelve (12) apartments. Each apartment had 8 or 16 beds. A full array of programs were available to the residents both on and off campus. The closing of these units were effected by the staff of the unit. A copy of the director's written closure report is attached as Exhibit G.

Psychiatric Services

These services consisted of two components: in-patient and day care services. The Day Care Services served an average of five (5) patients per day. This service was closed March 1, 1982.

In-patient services were divided into three categories: acute adult psychiatric, adolescent, and chronic long term/geriatric. Eight (8) separate units existed at the time of the closure announcement. Units serving the acute adult psychiatric patients were organized on a geographic basis. Each of the mental health centers and the counties they serve had one specific in-patient unit in the hospital to which they related.

This regionalization led to a close and harmonious working relationship between the staffs of the hospital and the counties served.

The in-patient services were closed in accordance with the approved closure plan. Exhibit H explains the discharge process and summarizes the results of the staffing procedure used by the Social Services Department of the hospital and the Department of Public Welfare, Mental Illness Program Division. Exhibit I is a summary of the discharges for the period January 1, 1981 through April 30, 1982. This exhibit includes all of the Mentally Ill, Chemically Dependent patients treatment during the closing period and where they were transferred or discharged.

Acute Medical Unit

The hospital had a very active treatment program for the acute medically ill patient. Licensed for 48 beds, this unit was usually 80-85% occupied. Because many patients/residents had physical as well as mental problems, the unit was kept open until March 29, 1982. Many of the long term medical patients were transferred to the Psychogeriatric unit located at Moose Lake State Hospital.

General Support Services

Services such as Dietary, Laundry, Housekeeping, as well as other departments, were reduced in size as the patient/resident population was decreased. No problems were encountered in the closing of these services.

PERSONNEL SERVICES DURING CLOSURE

The following information in this section was provided by the Department of Public Welfare Personnel Section.

The Department's Central Personnel Services Office and the Rochester State Hospital Personnel Office were charged with responsibility for providing the services, information and assistance necessary to help Rochester State Hospital employees cope with the hospital closure. Early in June, staff from these two offices met together to develop a plan of action and to define areas of responsibility and interaction.

The legislation requiring closure of Rochester State Hospital, Minnesota Statutes, Section 246.60, the governing labor agreement contract provisions, and the policies developed during the Hastings State Hospital closure served as the framework for development of the RSH closure plan. The section of Chapter 554, Laws of Minnesota 1982, requiring the closure speaks to the "orderly reassignment of affected employees" in accordance with the authority granted under Minnesota Statutes, Section M.S. 246.60. This legislation requires the Commissioners of the Department of Public Welfare and Employee Relations to provide training or other assistance for employees to aid them in the transition. The legislation provided for a special severance payment of up to \$5,000 to each employee who waived His/her right to transfer. During the Hastings State Hospital closure, the Department of Employee Relations established a policy whereby HSH employees could defer their special severance pay for up to one year. The employee could, during that period of time, transfer to a vacant position in any state agency in a classification in which s/he had served or had qualified for through an advisory testing process. This policy gave employees time to explore employment opportunities in their community before making a decision to relocate. The decision was made to apply this policy to RSH employees. The employees in the Surgical and Chemical Dependency Units would have, at most, a month's notice prior to layoff. Other state agencies were not hiring new employees - and in fact, were laying off their own employees. Obviously, for some RSH employees, there was only a short time in which to make major employment decisions. Therefore, allowing employees to defer payment of the special severance would extend the decision making time period. RSH employees would be offered opportunities to advisory test for comparable state classifications. Their names would be placed on transfer lists for those classifications for which they were qualified and, for a one-year period, the names would be sent to all the state agencies who were filling vacant positions.

The Department's Central Personnel Services Office would be responsible for finding vacant positions for those employees who wished to transfer immediately or at time of layoff. Training and information sessions would be provided for employees by both the Department's Central Personnel Services Office and the RSH Personnel Office. As much assistance as possible would be provided to employees seeking jobs in the Rochester area. The majority of employees who would transfer would be required to sell their homes and move to new communities. Realistically, most

RSH employees could not afford to sustain this type of financial loss - in addition to the emotional stress of the closure and relocation. In situations where the employee's spouse worked in another agency or private industry, relocation might not even be a possibility.

Once the overall closure plan had been developed, the areas of responsibility and interaction needed to be defined. The Department's Central Personnel Services Office would play a supporting role, serve as a resource, provide liaison with other state agencies and state insurance representatives and assist employees in finding jobs in the state service system. The RSH Personnel Office would provide information and answers to employees questions regarding the closure, establish and implement the employee layoff schedule, and work closely with the Union bargaining unit representatives, especially Council 6. It is important to note that, while the Department's Central Office played a coordinating role in the closure, the hospital's own personnel staff stayed until the hospital closed and carried a major share of the workload. A close, cooperative working relationship between the staffs of the Department's Central Office and the Hospital Personnel Office reduced the amount of stress and impacted on the quality of services provided to RSH employees.

Closure Process - Central Personnel Services Office

In June, 1981, two half-day general information sessions were held at RSH to inform employees of their options regarding continued employment with the state and the types of services/benefits available to them: unemployment compensation, job service assistance, continued insurance benefits, retirement, severance, and relocation cost reimbursement. The group sessions were chaired by the Deputy Commissioner. Present were representatives from the Department's Central Personnel Services Office, the Department of Employee Relations, the Ochs Agency (insurance), Minnesota State Retirement, the Department of Economic Security (unemployment compensation and job service), and Rochester State Hospital administrative/personnel staff. Participation in this first informational program was limited to staff in the Chemical Dependency Treatment and Surgical Units since those employees were scheduled for layoff June 30, 1981. Each employee was also given a survey questionnaire to fill out and return. The questionnaire was designed to provide basic information on employees' choices regarding severance or continued employment with the state. Employees who wished to discuss their particular situations scheduled individual interviews with the representatives.

In September, 1981, the informational program was repeated for the remainder of the RSH staff. Four general information sessions were held, followed by three days of individual employee conferences. Each employee was asked to fill out and return the standard questionnaire.

From that point on, until the closure was completed, the Department's Central Personnel Services Office staff person spent a regularly scheduled portion of time at Rochester State Hospital, providing assistance to employees interested in transferring to other state service jobs

and. answering questions about the closure process. The Department's Central Personnel Services staff researched questions raised by employees, provided liaison with other state agencies, developed questionnaires and periodic survey instruments to ascertain employees' interest/need for assistance or information. Update bulletins containing the names and classifications of employees were periodically sent to other DPW State Hospitals.

The Department's Central Office personnel staff was delegated responsibility for and authority to place employees in jobs throughout the DPW system. Since the closure took over a year to complete, employee layoffs took place on a regularly scheduled basis. The Department's Central Personnel Services staff was able to identify vacant positions throughout the DPW system over an extended period of time and reserve those positions for employees who wished to transfer. The extended time frame for locating complement position vacancies in the system enabled the Department's Central Personnel Office staff to transfer employees to the first or second choice of location. There was no need to appoint employees to "overcomplement" positions.

The Department's Central Personnel Services staff also worked with Rochester State Hospital employees in developing a qualified employee bulletin containing the names and brief resumes of 77 employees. This bulletin was sent to every state agency and all major private sector employers in the Rochester area. The Rochester Post Bulletin newspaper printed the qualified employee bulletin, free of charge.

The Department of Employee Relations played a major role in assisting the Rochester State Hospital and the Department's Central Office personnel staff. Department of Employee Relations staff assisted Rochester State Hospital personnel staff in the advisory testing process (a total of 57 employees were advisory tested for a total of 327 different classifications), supplied lists of the types of state jobs and agencies in Rochester and the surrounding area, notified Rochester State Hospital of actual vacant state positions in other state agencies, and assisted the Department's Central Personnel Office in "holding" jobs for Rochester State Hospital employees.

Closure Process - RSH Personnel Office

Although the primary source of communication/employee service was through the Rochester State Hospital Personnel Office, an Employee Support Committee was also established by the hospital management staff. The purpose of the committee was to provide emotional support to employees, identify common problems and generally help them cope with problems caused by the closure. The Employee Support Committee set up group sessions for employees to talk about their concerns and brought in speakers from the community to present workshops and seminars on such issues as real estate sales, insurance coverage, investments and money management, tax aspects of changing jobs, educational transition problems with children, legal issues and coping with stress. Questions relating to personnel issues were relayed by the Employee Support Committee

to the Rochester State Hospital Personnel Office to be researched and answered. The Personnel Office used the weekly hospital newsletter, the RSH Bulletin, to answer those questions. The RSH Bulletin was the vehicle used by the RSH Personnel Office to disseminate information about the closure and of general interest to employees. The newsletter contained information on unit closure dates, employee relocation guidelines, lists of employees who had transferred, retired, taken layoff and answers to rumors and corrections to erroneous information. The Bulletin was used by employees to advertise personal property for sale and homes for sale or rent.

The bulletin board in the RSH Personnel Office was used to post notices of any available job opportunities in the Rochester area as well as opportunities to transfer, notices of property for sale, scheduled meetings, and other items of interest to employees.

The RSH Personnel Office also offered seminars/workshops on such topics as Job Interviewing Skills, Resume Writing, and Job Search and Applications. The RSH Personnel staff also worked closely with the Department's Central Office Personnel staff in setting up the general group meetings, individual employee sessions with the various agency representatives and scheduling employees sessions with the Personnel Services representative throughout the year. The staff did most of the employee advisory testing, sending the exam papers to the Department of Employee Relations for scoring and processing. The RSH Personnel Director worked closely with the labor union representatives to resolve problems. He negotiated supplemental agreements so as to allow employees to take voluntary layoff when their jobs were eliminated, rather than bumping less senior employees. Throughout the closure he provided the Union representatives with lists of employees due for layoff prior to sending out the notices. In this way, problems were prevented.

In addition to the activities described above, the RSH Personnel staff took responsibility for scheduling employee layoffs, preparing status reports on personnel activities for the closure and making sure that all the "normal" personnel functions were carried out.

Employee Choices

The placement of patients and residents was the hospital managements first concern. Second to that, was the concern for the welfare of the hospital employees.

Employees had several choices available to them . . . a guaranteed transfer to another state hospital (or state agency, if that could be arranged), layoff, retirement, or resignation.

As of the date of this report, the employees left the hospital's employ as follows:

	<u>Number of Employees</u>	<u>% of the Total</u>
Layoff	342	64%
Transfer	83	15%
Transfer after layoff	7*	1%
Resignation	67**	13%
Retirement (all took early retirement)	17**	3%
Death	2	.5%
Dismissals	3	.5%
Still Employed (including one on medical LOA)	<u>17</u>	<u>3%</u>
 Total number of employees on payroll at time of closure bill be- came law	 538	 100%

*Seven (7) employees who deferred their special severance pay transferred to other state jobs after layoff. **Some employees were not eligible for special severance because they submitted their letter of resignation or intent to retire before the closure bill became law. Six (6) resigned and three (3) retired who were not eligible for special severance. Twelve (12) employees who had taken their special severance pay were reemployed by the State. One (1) employee who was not eligible for special severance pay was reemployed by the State.

Layoff Procedure

The various bargaining agreements dictated the procedure for layoff. Generally, the least senior employee in the class is laid off. Had a large number of employees exercised their "bumping rights" it would have caused frequent staffing problems and affected patient/resident care.

RSH obtained access to the use of a computer owned by Olmsted County to maintain the seniority lists. Lists were obtained every month. This was essential to the layoff procedure. Other benefits obtained from data processing assessability were listings of employees by departments/wards/work areas. These were used several times during the fiscal year 1981-82 for budget projections required because of a severe state revenue shortage.

Dates of Layoff

Dates established for layoff coincided with the closing of wards/units/departments. Layoffs were accomplished as close to the end of a pay period as possible. From June 30, 1981 and until March, 1982, many employees elected to take a voluntary layoff. When the layoff of employees working in Psychiatric Services began, "bumping" became more frequent. Once the closing of the psychiatric wards began, there were

less voluntary layoffs. Many of the long-term employees tended to stay until the last ward was closed. Their choice to stay as long as possible was because these employees would not accept a transfer and it was financially beneficial to them to stay as long as possible.

Relocation Expenses

An employee who elected to accept a transfer to another state hospital in the Department of Public Welfare was moved at state expense. The cost varied depending on:

1. Bargaining unit to which the employee belonged. Reimbursement or real estate fees varied as did miscellaneous moving expenses.
2. Whether the employee owned and actually sold a house.
3. Marital status of the employee. Single persons tended to have less personal effects to move with no house to sell.
4. The method of moving personal belongings. Employees could elect hiring a moving company, use of a rental truck, or help from personal friends.

Sixty-four of the employees who have transferred to date were paid \$105,490 or \$1,648 per employee. There are employees who have transferred but have not claimed all of their expenses for various reasons, i.e., houses not sold, just recently transferred, etc. These unpaid claims are estimated to be \$48,000.

Ten employees have transferred to Faribault State Hospital, a distance of 52 miles, and have elected to commute daily. They incurred no relocation expenses.

In addition to the above relocation costs, the employees retained as part of the "mothball crew" will receive the same relocation benefits. Once the decision is made as to the disposition of the hospital and the state no longer operates the hospital, the "mothball crew" will be offered the opportunity to relocate. It is estimated approximately five (5) employees would ask for transfer at a cost of \$20,000.

Severance Costs - Regular and Special

Two separate severances were paid to employees, the regular severance is based upon the number of hours of unused sick leave the employee has at the time they are separated from state service. They are entitled to an amount equal to 40% of the accumulated but unused sick leave balance not to exceed 900 hours plus an amount equal to 25% of the accumulated but unused sick leave bank. Employees who elected to resign prior to their layoff date or those that were dismissed were not eligible for the regular severance.

Special severance provided by the legislative bill H.F. 1446 reads as follows: "Notwithstanding any other law an employee who waives his right to transfer to a hospital other than Rochester State Hospital or other state employment shall be entitled to severance pay in the amount equal to 5% of the employee's base salary or wage, not to exceed \$500, multiplied by the number of years of state service, but in no case shall the total amount exceed \$5,000."

Exceptions to this are employees who submitted resignations prior to signing of bill even though their last day worked was after the bill was signed; employees laid off prior to effective date of the bill; employees with definite end dates - i.e., temporary, emergency.

To date there has been \$1,717,108.25 paid in regular and special severance.

Fifteen (15) employees have deferred their special severances. The severance deferred amounts to \$46,274.20. This will be paid on the employee's request or at the end of one year from date of layoff.

In addition to these severance costs, the employees retained as part of the "mothball crew" will receive the same severance benefits. Once the decision is made as to the disposition of the hospital, and the state no longer operates the hospital, the "mothball crew" will have to be severed or offered state jobs elsewhere. It is estimated the cost of severance will be \$30,000.

Unemployment Compensation

A large unknown closure cost, as of this writing, is the amount that will be paid for unemployment compensation. Two hundred ninety-four (294) employees of the 342 who accepted a layoff, or 86%, have filed for unemployment insurance. The four quarters of fiscal year 1981-82 were billed and paid as follows:

July, 1981 - September, 1981	\$ 33,538.05
October, 1981 - December, 1981	97,549.08
January, 1982 -March, 1982	158,124.71
April, 1982 - June, 1982	226,496.63
Total	\$515,708.47

Estimates for subsequent quarters may run as high as \$300,000.

Insurance

Employees who elected layoff are eligible for state paid insurance for six months after their layoff date if they have been employed by the state for three years and receiving state paid insurance at time of layoff. Two hundred thirty-seven (237) employees were eligible for this insurance. Also seventeen (17) employees who accepted early retirement were eligible for state paid insurance until age 65. The cost for this insurance is \$99,251.21 to date. It is estimated an additional \$87,000 is needed.

Workers' Compensation

A substantial increase in the amount paid by the hospital for employees receiving workers' compensation payment is noted here. Whether this was attributable to the closing of the hospital is not known.

Fiscal year 1979	\$59,054
1980	54,988
1981	54,524
1982	96,867

Other Costs

The 14 employees who were retained as part of the "mothball crew" are addressed later in this report. All of them are eligible for the same benefits given to other employees of Rochester State Hospital.

It is difficult, at this point, to assess the impact of the closure on employees and the actual personnel related costs of the closure. The costs for staff time and travel expense for the Department's Central Personnel Services Office staff and representatives of the other state agencies have not been calculated. Any calculation of these costs would have to include not only the time actually spent in Rochester, but also the time spent in planning activities and meetings, development of materials (questionnaire, surveys, qualified employee bulletin, etc.), scoring advisory tests, contacting the DPW state hospitals and other staff agencies to identify job opportunities. The cost in time which would have been devoted to other projects and activities cannot be calculated and can never be recouped.

FISCAL INFORMATION - FY 1982 and 1983

	<u>FY 1982 Actual Expenditures</u>	<u>FY 1983 Projected Requirements</u>
Salaries	\$5,273,622	\$ 450,343
Patient Pay	53,511	
Contractual Services	89,939	50,000
Worker's Unemployment Compensation	612,576 ⁽¹⁾	284,852 ^{(2) (4)}
Severance Relocation	<u>1,888,906</u>	<u>232,000⁽³⁾</u>
Sub-Total	\$7,918,554	\$1,017,195
Food	91,218	
Fuel-Utilities	490,912	284,050
Drugs	27,173	
All Other	90,947	97,660
Personal Needs Allowance	<u>722</u>	<u> </u>
Sub-Total	\$ 700,972	\$ 381,710
Repairs and Betterments	46,012	39,388
Special Equipment	<u>653</u>	<u> </u>
TOTAL:	\$8,666,191	\$1,438,293

- 1.) Includes \$221,284 paid from Central Office funds and \$187,021 paid from FY 1983 funds.
- 2.) Includes \$186,852 of rollover funds not required to meet FY 1982 liabilities.
- 3.) Includes: Balance to pay on relocation expenses, \$48,000; Deferred special severance, \$47,000; Relocation or severance for employees still on payroll, \$50,000; and additional insurance (layoff and early retirement), \$87,000.
- 4.) Of the amount budgeted for Workers'/Unemployment Compensation, the hospital has already expended in excess of \$200,000. Continued spending at this level indicated the amount budgeted will not be adequate.

EQUIPMENT DISPERSAL

It is the responsibility of the Department of Public Welfare to dispose of the equipment located in Rochester State Hospital in accord with the procedures outlined by the Department of Administration, Inventory Management Division, State Surplus Property Utilization Section.

As units were closed, complete physical inventories were taken of the areas. These inventory lists were circulated to other state hospitals. They, in turn, requested and justified in writing their need for the equipment. Each request was given a priority based on the following:

- A-1. Equipment was listed on the hospital's approved Special Equipment Budget and would be purchased this biennium (FY 81-83).
- B-1. Equipment was needed for direct patient care and the hospital had no such equipment.
- B-2. Equipment was needed for direct patient care and would replace obsolete or worn out equipment.
- C-2. Equipment was needed for staff and would replace obsolete or worn out equipment.
- C-3. Equipment was needed and would be added to existing similar equipment.
- D-1. Nice to have, but not critical to the hospital's operation.

To date, approximately 99% of the requested equipment has been transferred to other state hospitals. The remaining equipment is being held for further dispersal. It will be declared surplus to other state agencies. Once the state agencies requests have been received and the equipment transferred, the remaining inventory will be offered at public auction. A moratorium on the movement of equipment out of the state hospital was declared on August 4, 1982 by the Commissioner of Public Welfare.

The equipment in the Religious Activity Center has not been declared surplus. Because this building was a gift from the churches of south-eastern Minnesota, it was felt we should not disperse the building contents until a decision is made on future use/ownership of the building. Only the consumable supplies and some small pieces of equipment have been sent to the Chaplaincy Services in the other state hospitals.

Some equipment/supplies are of a specialized nature, i.e. surgical tables, sutures, etc, and were never declared surplus. These were sold by sealed bids. To date, \$47,000 has been realised from the sale of surgical supplies. The bids on surgical equipment were refused as they totaled only \$1600 on an estimated value of \$100,000. Another bid will be taken at a later date.

Fixed equipment, i.e. permanently attached to the building, have not been declared surplus except for some items which the other state hospitals would have had to purchase during the biennium. The buildings are not being stripped so the salable value of the campus is not diminished.

Some moveable equipment has been leased to agencies or campus. Separate inventory lists with signatures are on file for this equipment.

Some equipment will be retained at the hospital to maintain the buildings during the interim until a final decision is made on the disposal of the campus.

CONSUMABLE SUPPLIES

As soon as the closure bill was signed and became final, only necessary-supplies were purchased. However, departments associated with the surgical program had very little time to utilize their inventories. These were either sold or transferred to other state hospitals.

Likewise, any supplies not needed during the "mothball" program were or will be transferred to other state hospitals or agencies. Lists will be available on these transfers.

Many items were returned for credit and the money obtained therefore has or will be deposited to General Revenue Fund.

MEDICAL/BUSINESS/PERSONNEL RECORDS

Medical Records

Records of patients/residents were sent with them to the state hospital to which they were transferred. All other medical records of patients/residents have been transferred to St. Peter State Hospital for storage.

Personnel Records

Personnel records of employees who were employed since January 1, 1979 or are still employed at Rochester State Hospital have been transferred to Department of Public Welfare, Personnel Section. Personnel records from calendar year 1969 through 1978 are stored at the St. Peter State Hospital. The records of employees who transferred to other state hospitals/agencies were sent to the respective agency.

Business Records

Business records of the hospital since July 1, 1976 have been transferred to Department of Public Welfare, Accounting Section.

Records not needed have been sent to the State Archives for disposition.

LOSS OF SERVICES TO SOUTHEASTERN MINNESOTA

The closing of the hospital has left a considerable void in services available to the residents of southeastern Minnesota.

The Department of Public Welfare has reassigned the counties formerly serviced by Rochester to other state hospitals. Exhibit K is the Commissioner's Instructional Bulletin #81-61 which redesignates the receiving districts for all of the state hospitals.

A separate study is being conducted by the Department of Public Welfare concerning the impact the closing has had on the region and other state hospitals. This report will be presented to the 1983 Legislature.

In addition, concerned citizens in southeastern Minnesota have expressed their concern on the closure and its impact on their particular county or area. As a result, Task Forces are studying the closure. They will attempt to develop alternatives to the lost services. The next section deals with those Task Forces.

TASK FORCE

Two separate Task Forces were operative during the closure period whose purpose was to discuss and to recommend uses for the Rochester State Hospital campus. The first was appointed by the Olmsted County Board of Commissioners. It consisted of community leaders with only one individual from the hospital serving on the Task Force. Their recommendations are on Attachment L.

A recommendation of the first Task Force was to request the Governor appoint a Task Force to further explore and recommend a use(s) of the hospital campus. This Task Force was appointed under Executive Order 82-5. It convened on May 5, 1982. The Task Force is now in the process of developing its recommendations on use(s) of the campus.

LEASES

Leases that were in effect at the time of closure were extended for six months until December 31, 1982 in accord with the legislation passed by the 1982 Minnesota State Legislature. This bill extended the time for sale of the Rochester State Hospital property for six months, or December 31, 1982.

Leases held for PORT, Zumbro Valley Mental Health Center, and Detox, which is operated by Zumbro Valley Mental Health Center, were renewed. In addition, two additional leases were granted. Space leased to the Hiawatha Children's Home was of a temporary nature. They accepted six (6) of the Rochester State Hospital mentally retarded residents until Hiawatha's new adult facility in Rochester was finished. The lease ran from December 1, 1981 through June 30, 1982. Another lease was granted to Olmsted County to operate a 24 bed psychiatric treatment facility known as Quarry Hill Residential Treatment Center. They began admitting patients on June 15, 1982.

PERSONNEL STUDY

The Department of Public Welfare, Personnel Section, will be conducting a survey of Rochester State Hospital employees. Its primary purpose will be to determine how the employees fared after the closure of Rochester State Hospital. Several areas will be explored. The final criteria has not been developed as of this writing.

"MOTHBALL" OPERATION

From the time of the actual closing date (June 29, 1982) and until a decision is made on what will happen to the buildings and land at Rochester State Hospital, a mothball crew is being maintained by the Department of Public Welfare. These employees will be responsible to finish the closing of buildings, to dispose of remaining inventories, and to maintain and protect the buildings. \$1,438,293 has been budgeted for the mothball operation. This includes all costs of day-to-day operation.

Once a decision is reached on the disposition of the hospital, the employees in the mothball crew will be entitled to the same benefits, i.e. severance pay, relocation, moving expense, etc, as offered to other Rochester State Hospital employees. The estimated cost of this is \$50,000 which includes all severances and relocation expenses.

Employees Retained as "Mothball" Operation

Hospital Administrator (on assignment to Central Office)
Physical Plant Director
Carpenter
Electrician
Mason
Refrigeration Mechanic
Chief Power Plant Engineer
4 Stationary Engineers
2 Plant Maintenance Engineers
Groundskeeper Intermediate

1150 Any federal money received in excess of the estimates shown in the 1981 budget document shall reduce the state appropriation available by a like dollar amount, unless otherwise directed by the governor, after he has consulted with the legislative advisory commission.

State Hospitals

Approved Complement -

By June 30, 1983 - 5485

Current Expense

\$14,449,000 \$15,450,300

Salaries

\$107,955,500 \$104,662,100

Repairs and Betterments

\$ 1,400,100

Special Equipment

\$ 521,700

Notwithstanding the provisions of Minnesota Statutes 1980, Sections 246.50 to 246.53, the commissioner of public welfare shall determine what part of the cost of care for state hospital treatment a patient or his relatives are able to pay. In no case, shall a patient or his relatives, unless they reside outside the state, be ordered to pay more than ten percent of the cost of care.

By July 1, 1981, the chemical dependency and surgical units at Rochester state hospital shall be closed. The remaining units at Rochester state hospital shall be closed no later than June 30, 1982.

Beginning January 1, 1983, best efforts shall be made by the department of administration to sell the buildings and adjoining land within one year from the date of closure, after the commissioner of public welfare has certified to the commissioner of administration pursuant to provisions of Minnesota Statutes, Section 94.09, Subdivision 2, that

Changes or additions are indicated by underlines; deletions by strikethroughs

state hospital campus is no longer needed by the department of public welfare. Notwithstanding any other law to the contrary, a portion or all of the buildings and adjacent lands can be sold to anyone. Proceeds from rentals of Rochester state hospital property shall be deposited in the general fund and are appropriated to the commissioner of administration for maintenance of the land and buildings of that

prior to the closure date for each unit, the commissioner of public welfare shall arrange for the orderly transfer of all affected patients. The commissioner shall, to the extent possible, provide at least 60 days notice of transfer and allow patients and their parents, spouse or guardian, and the appropriate county agency input regarding the institution or community placement to which the patient is to be transferred.

Effective immediately, the commissioner of public relations shall monitor the orderly management of affected employees of the state hospital pursuant to authority vested in him by Minnesota Statutes, Section 246.60. The commissioners of public welfare and employee relations shall provide training or other assistance as necessary for employees to aid in this transition. Direct state hospitals in the same proportion as other hospitals are transferred. Early retirement shall be encouraged where possible, with full provision for retirement benefits. Notwithstanding any other law an employee who transfers his right to transfer to a hospital other than Rochester state hospital or other state employment shall be entitled to severance pay in the amount equal to five percent of the employee's base salary or wage, not to exceed \$500, multiplied by the number of years of state service, but in no case shall the total amount exceed \$5,000.

Quarterly progress reports must be submitted by the commissioner of public welfare to the legislative advisory commission and must include information with respect to the following:

Changes or additions are indicated by underlines; deletions by strikethroughs

- (a) Employee negotiations;
- (b) Community placement of affected patients;
- (c) Admissions figures; and
- (d) Any other activities affecting closure.

Any savings in excess of the \$7,000,000 projected to result from the closure of the hospital may be directed by the commissioner of public welfare into funding for community facilities for mentally ill, chemically dependent, and mentally retarded persons.

Nursing Homes Approved Complement -

By June 30, 1983 - 617

Current Expense

\$ 1,710,700 \$ 1,888,200

Salaries

\$11,238,300 \$11,298,000

Repairs and Betterments

\$ 146,500

Special Equipment

\$ 68,300

Mental Health Support

\$ 592,000 \$ 579,600

Any unexpended balance remaining in the first year for special equipment and repairs and betterments does not cancel but is available for the second year of the biennium.

The information for the budgets for the nursing homes and hospitals shall be submitted to the 1983 legislature on an individual institution basis.

Positions and administrative money may be transferred between the various activities within each subdivision in this section.

Work activity centers in state hospitals shall make available up to 25 percent of their capacity for community referrals. The

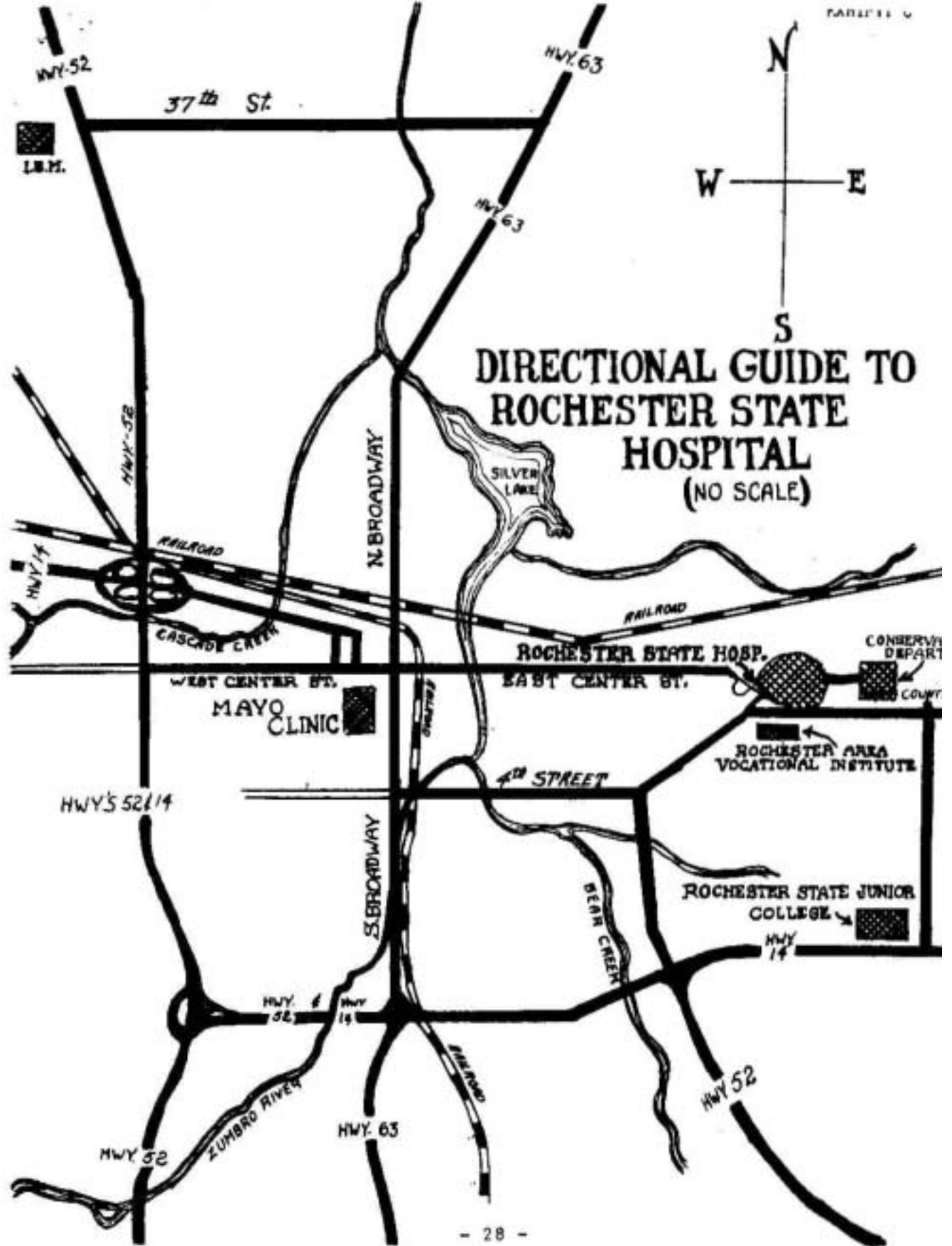
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DPW TIMETABLE
 CLOSURE OF ROCHESTER STATE HOSPITAL
 August 11, 1981

<u>Date</u>	
July 1, 1981	Surgery Unit Closed.
July 1, 1981	Chemical Dependency Unit closed.
July 1, 1981	Admissions to Rochester Social Adaptation Center (Mental Retardation Unit) closed.
July 1, 1981	Cease transfers to Rochester State Hospital from Department of Corrections.
July 1, 1981	Cease lab services to other state hospitals.
July 1, 1981	Cease outpatient services to other state hospitals.
July 1, 1981	Cease admissions to adolescent unit.
July 1, 1981	Cease admissions and commitments of Hennepin County residents.
July 1, 1981	Cease admissions and commitments of Ramsey County residents.
August 1, 1981	Case conferences for MR residents begin.
August 10, 1981	Adolescent Unit closed.
August 11, 1981	Cease transfers to Rochester State Hospital from other State Hospitals.
August 11, 1981	Cease all commitments to Rochester State Hospital.
August 11, 1981	Cease admissions of Dakota County residents.
August 11, 1981	Case conferences for MI patients begins.
August 15, 1981	All assessments and discharge reports on MR residents completed.
August 24, 1981	Begin to transfer of 12 severely handicapped mentally retarded residents to Faribault State Hospital.
October 1, 1981	Transfer of MR residents continues.
November 1, 1981	Close PS2D.

Timetable (Continued)

December 1, 1981	Transfer of MR residents completed – close RSAC.
December 1, 1981	Transfer of long term MI patients to other facilities begins – at least 5 per week.
December 1, 1981	Cease admissions from Waseca, Steele, Rice and Dodge Counties.
January 1, 1982	Cease admissions from Freeborn and Mower Counties.
February 1, 1982	Cease admissions from Winona, Wabasha and Houston Counties.
February 1, 1982	Close PS2A.
March 1, 1982	Cease admissions from Olmsted, Fillmore and Goodhue Counties.
March 1, 1982	Close PS1B and FS2C.
March 1, 1982	Close Day Hospital.
April 1, 1982	Transfer of long term patients completed.
April 1, 1982	Close PS2B.
April 2, 1982	Close Medical III.
May 1, 1982	All MI units closed or ready for closure. Close PS1A and PS1C.
May 1, 1982	Outpatient services closed.
May 1, 1982	Lab services closed.



PLOT PLAN, ROCHESTER STATE HOSPITAL

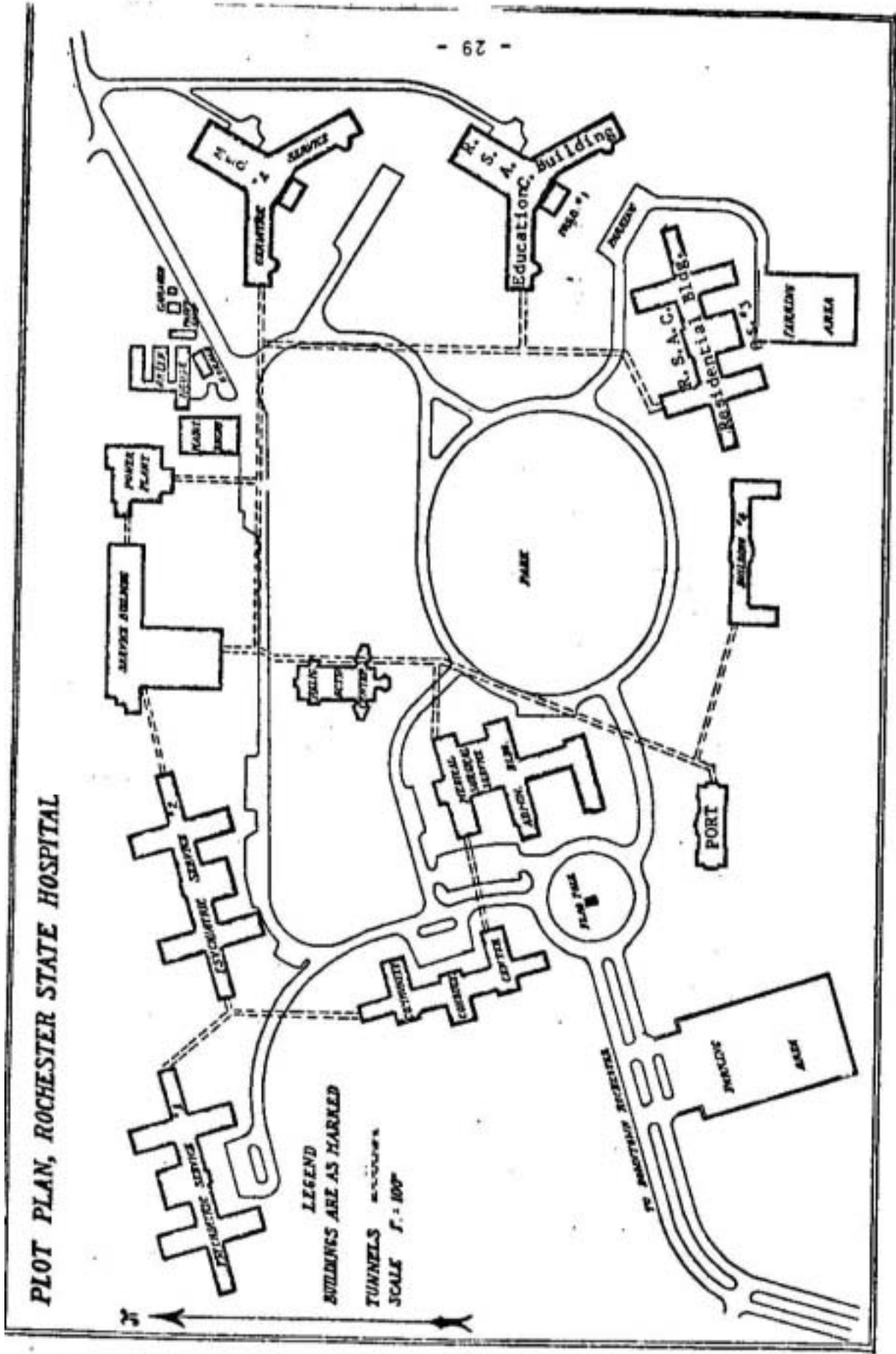


EXHIBIT E
Rochester State Hospital

Receiving District for Mentally Ill and Chemically Dependent

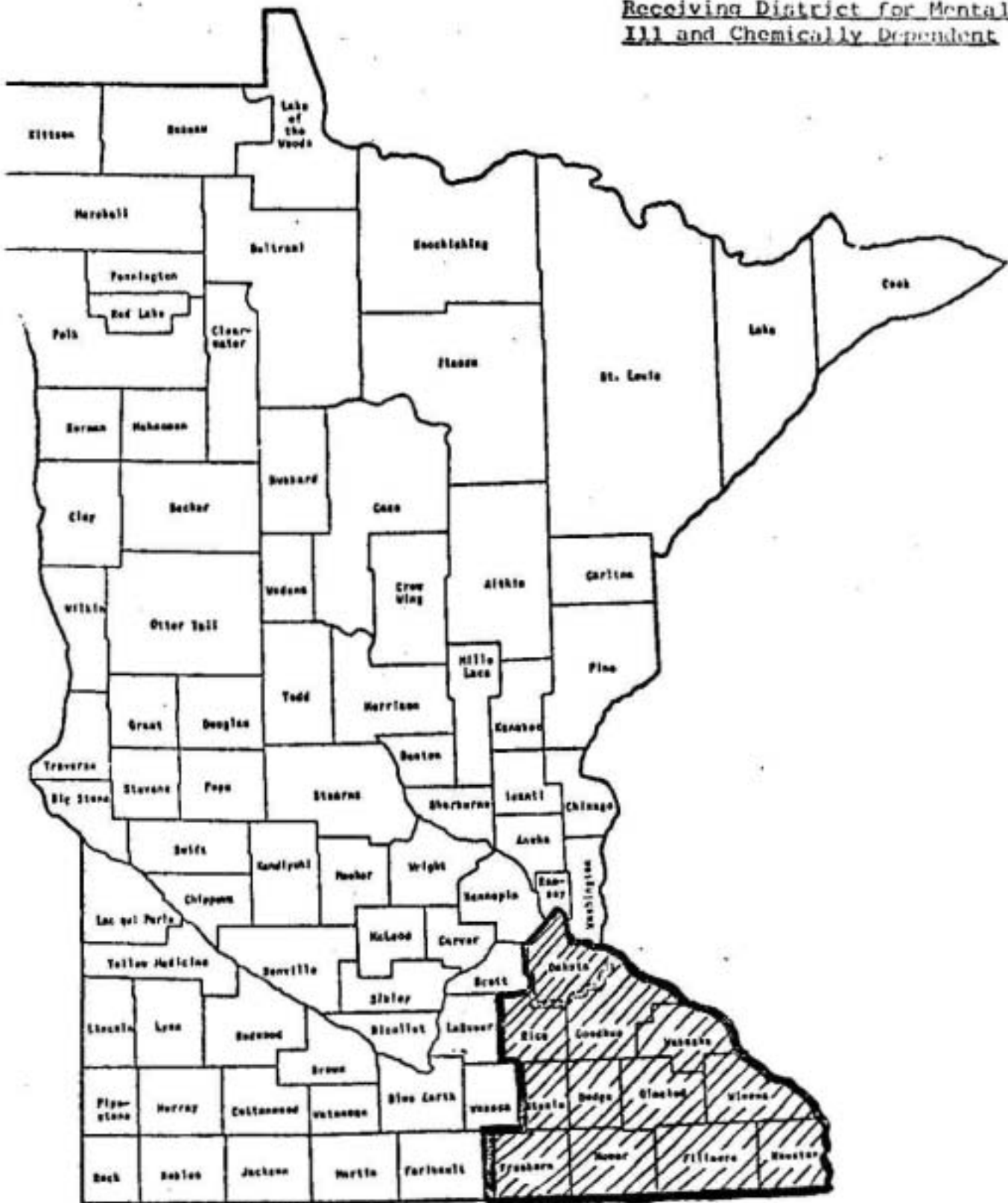
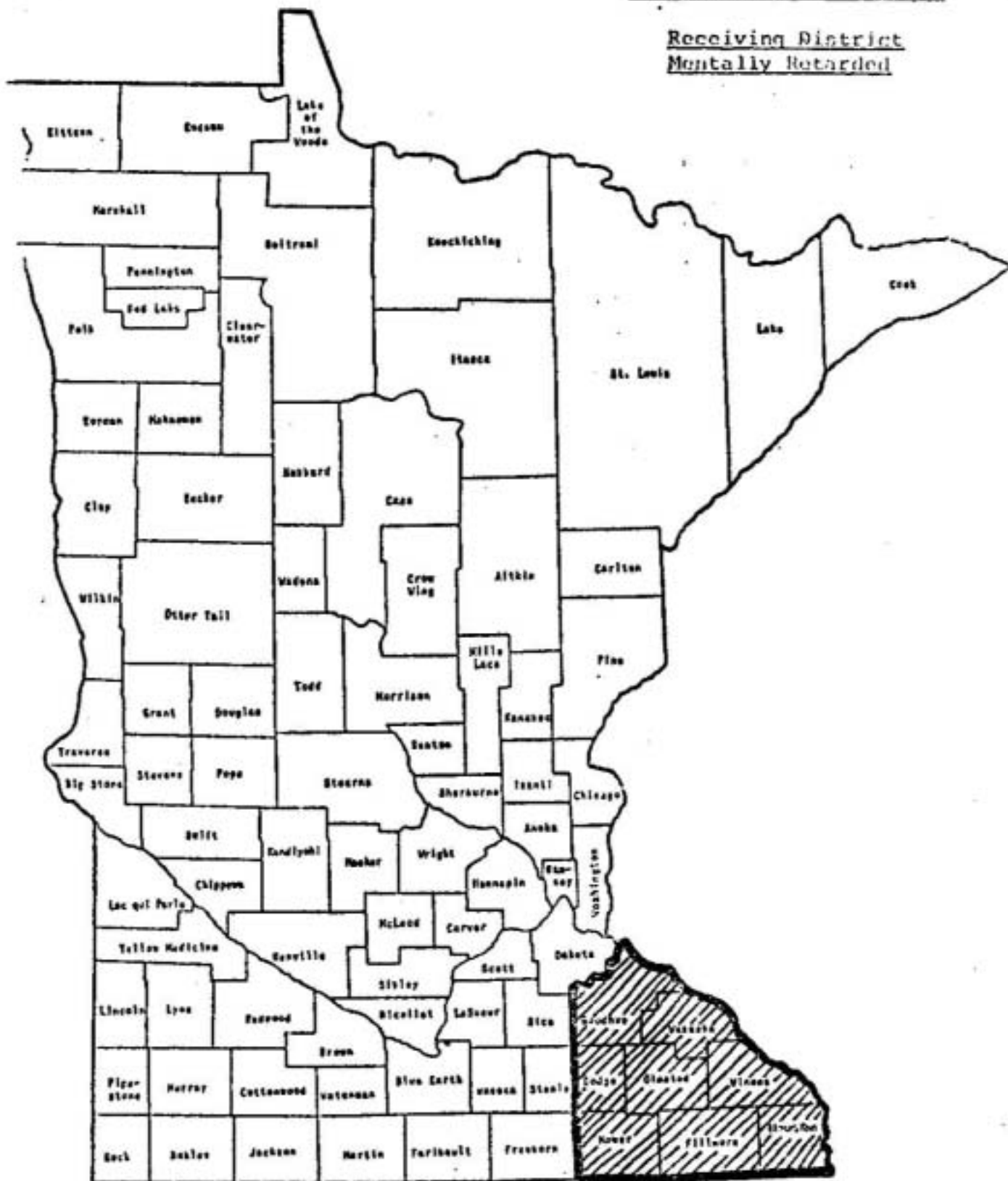


EXHIBIT F
Rochester State Hospital

Receiving District
Mentally Retarded



CLOSURE OF ROCHESTER SOCIAL ADAPTATION CENTER
ROCHESTER STATE HOSPITAL
DECEMBER 2, 1981

The action of the 1900 Minnesota legislative session mandated the closure of the Rochester State Hospital by June 30, 1982. In order to provide an orderly closure of Rochester Social Adaptation Center (R.S.A.C). several planning sessions were held including the various agencies who would be involved in the relocation of residents. Ultimately proposals were drafted from three different groups and submitted to Arthur Noot, Commissioner of D.P.W. The proposals developed by Rochester State Hospital, the Mental Retardation Division, and the Program Directors of Minnesota State Residential Facilities for the Mentally Retarded (hereafter called Program Directors) were consistent in establishing a final closure date for R.S.A.C. as November 1, 1981.

Since coordination between several state hospitals was needed to accomplish closure of R.S.A.C, a meeting was held June 10 and 11 with the Program Directors from Faribault State Hospital, Minnesota Valley Social Adaptation Center (M.v:s.A.C.) at St. Peter State Hospital, Cambridge State Hospital, Glacial Ridge Training Center (G.R.T.C.) at Willmar State Hospital, Moose Lake State Hospital, and Rochester Social Adaptation Center (R.S.A.C). The proposal from this group included four basic components.

- 1) By November 1, 1981, all mentally retarded residents remaining at R.S.A.C. would be accommodated at Faribault State Hospital, M.V.S.A.C at St. Peter State Hospital, and G.R.T.C. at Willmar State Hospital. Moose Lake State Hospital would be used as a back-up facility if needed. All beds used would be certified.
- 2) Residents currently residing at institutions outside of their catchment area would be considered for transfer to their geographically designated facility.
- 3) Transfers between institutions other than R.S.A.C. would be completed by August 15.
- 4) Case conferences would begin at R.S.A.C. August 1, 1981.

The Mental Retardation Division was represented at this meeting and concurred with the closure plan as developed.

Administrative staff from Rochester State Hospital met with Commissioner Noot on June 17, 1981, to explain their proposal for the entire R.S.H. campus. Commissioner Noot in turn presented his recommendations along with the proposals to Governor Al Quie. The final plan which was approved by Governor Quie on August 3, 1981, identified the closure date for R.S.A.C. as December 2, 1981.

PROCESS OF CLOSURE

The primary individuals designated to coordinate the R.S.A.C. closure were Deborah Natvig, R.S.A.C. Program Director representing Rochester State Hospital; Shirley Bengtson, Assistant Director of the Mental Retardation Division, responsible for guardianship and other issues regarding individual residents; and Mr. Al Beck, Program Consultant for D.P.W. Bureau of Residential Services to deal with interfacility issues.

On July 9, 1981, Ms. Natvig, Ms. Bengtson, and Mr. Beck met to discuss the aspects and issues involved with closure and agreed upon a final plan.

At the time the decision to close Rochester State Hospital was made, transfer packets were developed by R.S.A.C. professional staff for each resident which included updated assessments in each discipline, current programs, and other information which would help a different facility familiarize themselves with the resident. Staff from R.S.A.C. visited the other hospitals and in some instances staff from the other facilities visited R.S.A.C. in order to determine which facility could best meet the needs of individual residents. The transfer packets were forwarded to the receiving facility prior to the case conference held for each resident so that staff could familiarize themselves with the residents prior to the meeting.

Case conferences were held to discuss placement possibilities and to exchange information regarding each resident's individual needs. The individuals and

agencies invited to attend the case conference included the parents, county social worker, staff from R.S.A.C., staff from the receiving facility, and other individuals involved in the resident's program. Residents attended the case conference if it was felt by family and R.S.A.C. staff that it would be beneficial for the resident to be present. In the instances where the resident did not attend the meeting, the staff from the receiving facility met each resident either in their living area or classroom setting.

The following table reflects the participation of county and family at the case conferences held.

CASE CONFERENCES:

County	Number Held	Number Participated	Per Cent	Number Family	
				Number	Per Cent
Dodge	5	5	100%	5	100%
Faribault	1	0	0	0	0
Fillmore	11	4	36	9	82
Freeborn	8	8	100	3	38
Goodhue	9	0	0	7	78
Hennepin	2	1	50	1	50
Houston	8	5	63	6	75
Mower	19	6	32	11	58
Olmsted	19	15	79	10	53
Ramsey	1	1	100	0	0
Steele	2	0	0	2	100
Wabasha	11	9	82	7	64
Winona	13	2	15	7	54
Totals	109	56		68	

Total county participation - 54%

Total family participation - 62%

It was determined through preliminary screening and the case conferences that R.S.A.C. residents would be transferred to the four state hospitals located in Willmar, Faribault, St. Peter, and Cambridge. Three factors were considered in making placement decisions:

1. Ability of the facility to meet programmatic needs
2. The proper catchment area as determined by the county of responsibility
3. Desire of the family for their relative to be transferred to a specific facility

Faribault State Hospital

Faribault State Hospital had been designated as the primary receiving facility and received 57 of the 94 (60S) residents transferred to other institutions. In order to accomplish this F.S.H. re-opened one half of a building (30 beds) designed for non-ambulatory, multihandicapped residents. It also was determined that 22 residents at F.S.H. could appropriately be transferred to the state facility which their county of responsibility normally utilized. After these transfers were made the additional bed space needed at F.S.H. was available for R.S.A.C. residents.

Willmar State Hospital (G.R.T.C.)

Since Rochester Social Adaptation Center had been able to involve residents in programs which emphasized communication skills through sign language and other communication programs, the continuation of these programs was very desirable. It was felt by the staff at W.S.H. that they would be able to accept residents where communication would be a focal point of their habilitation plan. Joint review of a number of R.S.A.C. residents occurred to assess the appropriateness of individual residents and the feasibility of transferring residents a greater distance to take advantage of the program potential at Willmar. Families were contacted prior to the time the case conferences were scheduled to determine if they would be opposed to such a transfer because of the distance to Willmar. Nineteen residents were identified to transfer to W.S.H. specifically for the programs for the sensory impaired which they had available. An additional two residents were transferred to W.S.H. due to family request.

Cambridge State Hospital

Cambridge State Hospital was able to offer several attractive options for resident placement. The Mental Health Treatment Service (M.H.T.S.) was determined to have the most appropriate programs for two of the R.S.A.C. residents. Eleven residents were identified who would benefit from the other programs available at C.S.H. whose families were not opposed to the added distance to Cambridge. Two

additional residents were transferred as a result of family request.

St. Peter State Hospital (M.V.S.A.C.)

Of the three residents transferred to M.V.S.A.C, one was from a county normally served by St. Peter, one was as a result of a family request, and It was felt that the third resident would benefit from the pre-vocational programs available at M.V.S.A.C.

The following table shows the net gain in resident population that other state hospitals experienced.

NET RESULT OF R.S.A.C. CLOSURE:

State Hospital	Received		Transferred out	Net gain
	from R.S.H.	from F.S.H.		
Faribault	57		22	35
Cambridge	15	1		16
St. Peter	3	15		18
Willmar	19	3		22
Brainerd	0	3		3
TOTALS	94	22	22	94

Sixty residents (64%) were transferred to the facility which normally would be designated as the receiving facility as determined by the county of responsibility. The remaining 34 residents were accepted by other facilities for programmatic purposes or family request.

PLACEMENT OF R.S.A.C. RESIDENTS BY COUNTY:

County	Total	F.S.H.	C.S.H.	S.P.S.H.	W.S.H.	Group Home	Other
Fillmore	11	7	2*				2
Winona	13	7	4*		2*		
Dodge	5	4			1*		
Houston	8	3	1*		2*	2	
Olmsted	19	8	2*		1*	6	2
Mower	19	11	3*	2*	3*		
Wabasha	11	7			1*	1	2
Goodhue	9	6	2*		1*		
Steele	2	1			1*		
Freeborn	8	2	1*		5*		
Faribault	1			1			
Hennepin	2	1			1*		
<u>Ramsey</u>	<u>1</u>				<u>1*</u>		
	109	57	15	3	19	9	6

* Residents residing outside designated receiving area

SUMMARY

The closure of Rochester Social Adaptation Center was completed on December 2, 1981. During a five month period of time beginning July 2, 1981, a total of 109 mentally retarded clients were placed at alternate facilities. Eighty-six percent (86%) were transferred to other state institutions, nine (9) residents (82) were placed in group homes, two (2) returned to their parental home, two (2) transferred out of state, one (1) was discharged to a nursing home, and one (1) was transferred to the Minnesota Braille and Sight Saving School.

Due to the professional attitude of the staff from R.S.A.C. and the receiving facilities, as well as open communication and cooperation with family members and counties the process was completed without the need for direct intervention or participation of D.P.W. staff. D.P.W. was available and provided consultation as needed.

During the closure process no petitions or complaints were filed concerning resident placements by family members or counties. R.S.A.C. staff attended approximately 90% of the reviews held 30 days after the residents were transferred and over-all the adjustment of the residents was seen as favorable.

Deborah Hating

SF-08806-02

STATE OF MINNESOTA

DEPARTMENT of Public Welfare

Office Memorandum

TO : Al Beck

DATE: June 15, 1982

FROM : Barb Doherty *B.D.*

PHONE: 296-4440

SUBJECT: Rochester State Hospital Report Summary of Patient Discharge Staffings
Attended by Mental Illness Program Division

From September, 1981 until March, 1982, I attended 101 discharge staffings of Rochester State Hospital patients as a representative of the Mental Illness Program Division. I attended staffings summary on those patients who were not regarded as short term--they had been expected to be patients at Rochester State Hospital on the proposed closing date of May 1, 1982 if the hospital was not to be closed.

Results of the 101 staffings were:

- 43 patients were transferred to Moose Lake State Hospital
- 21 patients were transferred to St. Peter State Hospital
- 5 patients were transferred to Oak Terrace
- 1 patient went to Ah-Gwah-Ching
- 2 patients went to Anoka State Hospital
- 1 patient went to Fergus Falls State Hospital
- 28 patients went to community placements which included their own home,
boarding homes or nursing homes
- 101 Total

During the period from September, 1981 to March, 1982 many other patients were discharged to a variety of placements. I did not attend their staffings because they were viewed as short term placements although some of them eventually were referred to St. Peter State Hospital.

STAFFING PROCESS FOR DISCHARGE TRANSFER OF STATE HOSPITAL PATIENTS

Hospital social worker notified patient's family. Registered mail was used to document receipt of notice.

County social worker worked with hospital staff to arrange for placement visits and arrange financing as needed.

State MIPD staff attended as a resource to describe programs available throughout the State.

Other state hospitals were invited to attend to meet patients who were likely transfers to their facilities. They were able to provide input as to appropriateness of transfer.

Staffings were held by groupings of county of residence if possible to facilitate attendance by county workers.

Prior to staffing a history was prepared by hospital social worker and sent to county and state staff as well as other state hospitals who would attend.

The state hospital social worker took the lead responsibility for conducting the staffing and summarizing the results.

Following the staffing, a summary report was sent to the county and state staff.

State staff kept a record of all clients staffed and their placement for a follow-up study.

DEPARTMENT of Public Welfare

STATE OF MINNESOTA

Office Memorandum

TO : Terry Sarazin

DATE: March 17, 1982

FROM : Barb Doherty *Barb*

PHONE:

SUBJECT: Rochester State Hospital Closure Report

This is a brief overview of information that will be covered by a more complete report when all of the patients have actually been transferred to other facilities.

Plans for an orderly transfer of the Rochester State Hospital patients who were mentally ill began immediately after the decision by the legislature to close the hospital. As a staff member from the Mental Illness Program Division I was assigned to staff the discharge planning sessions for the mentally ill patients. These sessions began in September, 1981 and ended in March, 1982 with over 100 patients being seen by a discharge planning team. Team members included staff from other state hospitals who would be receiving transferred patients, county social service staff, Rochester State Hospital staff, (nursing, social work, clergy and psychiatrists) as well as family members. Every effort was made to accommodate the wishes of the patients' family as to referral priority. The responsible county was also involved to insure adequate financial arrangements could be made for community placement.

Approximately 43 of the Rochester State Hospital patients are being transferred to MooseLake State Hospital which is establishing specialized

Terry Sarazin
Page 2
March 17, 1982

psycho geriatric units to better meet the needs of the elderly chronic mentally ill population.

Between 15 and 20 patients will be transferred to St. Peter State Hospital which is the new catchment hospital for the southeastern Minnesota area.

Several Rochester residents were transferred to the State Nursing Home at Oak Terrace because of their need for continued medical services.

Approximately 60 persons were referred to community facilities in the Rochester area, their home counties, or the Twin Cities. Not all of these referrals resulted in placements because of the long waiting lists for community facilities as well as the current financial eligibility limitations.

There was a great deal of work done by the Rochester State Hospital staff in preparation for the discharge staffing. The residents were given physical examinations and a complete social history was prepared to be transferred with the patient. In addition, the staff spent a great deal of time with family members to reassure them that the transfer process would be carefully explained to the patients. Staff from Moose Lake State Hospital, Anoka State Hospital and St. Peter State Hospital have participated in the discharge staffings in order to facilitate the transfer of patients to their hospitals.

In summary I feel the effort to respect patients' rights and individuality shown by all the service providers involved resulted in a smooth and efficient closure procedure. I cannot estimate the number of hours per patient spent on the process but in no way was it a "mass transfer" without regard to individual needs.

EXHIBIT I

Rochester State Hospital Discharges for January 1981 through April 30, 1982

TOTAL DISCHARGES: 1,344

PATIENTS DISCHARGED TO:	Number of Patients
Anoka State Hospital	26
Address Unknown	46
Ah-Gwah-Ching State Nursing Home	3
Brainerd State Hospital	5
Board and Care	131
Boarding	27
Cambridge State Hospital	30
Cannon Falls Treatment Center	2
Chanhassen Chemical Dependency Unit	1
Died on Medical Extended Visit	3
Died While in Hospital	7
Died While on Extended Visit	1
Died While on UA	1
Died While on Provisional Discharge	2
Dodge County Jail	1
Faribault State Hospital	85
Fergus Falls State Hospital	26
Golden Valley Mental Health Center	1
Hiawatha Children's Home	8
Discharged to Home	622
Houston County Hail	1
Lodging	2
Methodist Hospital	2
Moose Lake State Hospital	59
Minnesota Security Hospital	8
Mower County Jail	1
Northern Wisconsin Center	1
Nursing Home	70
Oak Terrace State Nursing Home	22
Olmsted Community Hospital	1
Olmsted County Jail	2

Exhibit I (continued)

Other Hospitals	2
PORT	
Red Wing Health Center	1
Red Wing Jail	2
Red Wing Training Center	1
St. Francis Hospital	2
St. Luke's Hospital	1
St. Mary's Hospital, Rochester	10
St. Mary's Hospital, Minneapolis	1
St. Olaf's Hospital	1
St. Peter State Hospital	79
Veterans Hospital	22
Winona County Jail	2
Women's Shelter	1
Willmar State Hospital	17
YWCA, Illinois	1

EXHIBIT J

Chart I

Number of Employees Who Transferred to State Hospitals/Agencies:

Ah-Gwah-Ching State Nursing Home	0
Anoka State Hospital	4
Brainerd State Hospital	
Cambridge State Hospital	15
Faribault State Hospital	29
Fergus Falls State Hospital	4
Moose Lake State Hospital	6
Oak Terrace State Nursing Home	0
St. Peter State Hospital	15
Willmar State Hospital	5
Other State Agencies	<u>8</u>
Total:	90

CHART II
Number of Employees by
Patient/Resident Service Who
transferred to State
Hospitals/Agencies

	MI	MR	CD	<u>Surg.</u>	<u>Gen. Support</u>	Total
Ah-Gwah-Ching State Nursing Home	0	0	0	0	0	0
Anoka State Hospital	2	0	0	0	2	4
Brainerd State Hospital	0	4	0	0	0	4
Cambridge State Hospital	1	10	0	0	4	15
Faribault State Hospital	3.5	13.5	0	0	12	29
Fergus Falls State Hospital	1	0	0	0	3	4
Moose Lake State Hospital	5	1	0	0	0	6
Oak Terrace State Nursing Home	0	0	0	0	0	0
St. Peter State Hospital	4	2	0	0	9	15
Willmar State Hospital	4	1	0	0	0	5
Other State Agencies	1	1	0	1	5	8
Grand Total	<u>21.5</u>	<u>32.5</u>	0	1	35	90
% who transferred from those eligible	24%	36%	0%	1%	39%	100%

Chart III

Number and Percent of Employees by Job Category Who Transferred to State
Hospitals/Agencies:

	<u>Number</u>	<u>% of Total</u>
Department Heads, Physicians, and Other Professionals	33	37%
Nursing - Licensed	8	9%
Nursing - Non-licensed	20	22%
Non-Professionals - Clerical	6	1%
Service - Dietary, Housekeeping, Engineering, etc.	<u>22</u>	<u>25%</u>
Total:	90	100%

OFFICE OF THE
COMMISSIONER
612/296-3701

STATE OF MINNESOTA
DEPARTMENT OF PUBLIC WELFARE
CENTENNIAL OFFICE BUILDING
ST. PAUL, MINNESOTA 55155



INSTRUCTIONAL BULLETIN #81-61

September 4, 1981

TO: Chairperson, Board of County Commissioners
Attention: Director

Chairperson, Human Service Board
Attention: Director

State Hospitals
Attention: Chief Executive Officer

Chairperson, Mental Health Center Board
Attention: Director

SUBJECT: Rochester State Hospital Closure Plan and Catchment Area Modifications

In compliance with the Laws of Minnesota 1981, Chapter 360, the Rochester State Hospital Surgical and Chemical Dependency units have been closed effective June 30, 1981. The Governor has reviewed the Department of Public Welfare's plans for the remaining units at Rochester State Hospital and the following schedule of actions are being taken:

1) Effective upon the receipt of this notice:

Admissions to the Rochester Social Adaptation Center are closed.

Transfers from the Department of Corrections will not be accepted.

Admissions to the Adolescent Program are closed.

Admissions from Hennepin, Ramsey, and Dakota Counties are closed.

All commitments to the Rochester State Hospital are to cease. Commitments should be directed to the appropriate state hospital identified in Appendix A. New state hospital catchment areas are shown in Appendix A. Changes have been limited to those necessary to accommodate the Rochester closure.

2) Additional steps will be taken to implement the closure plan on the dates below:

12/1/81 The Rochester Social Adaptation Center will be closed.

Informal mental illness admissions from Waseca, Steele, Rice and Dodge Counties will cease.

AN EQUAL OPPORTUNITY EMPLOYER

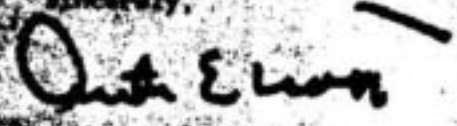
- 46 -



- 1/1/82 Informal mental illness admissions from Freeborn and Mower Counties will cease.
- 2/1/82 Informal mental illness admissions from Winona, Wabasha and Houston Counties will cease.
- 3/1/82 Informal mental illness admissions from Olmsted, Fillmore and Goodhue Counties will cease.
- 5/1/82 Reception centers for patients whose functions will be closed.

Questions regarding this bulletin may be addressed to Dennis Boland at 296-4919 or Al Oertwig at 296-4997.

Sincerely,

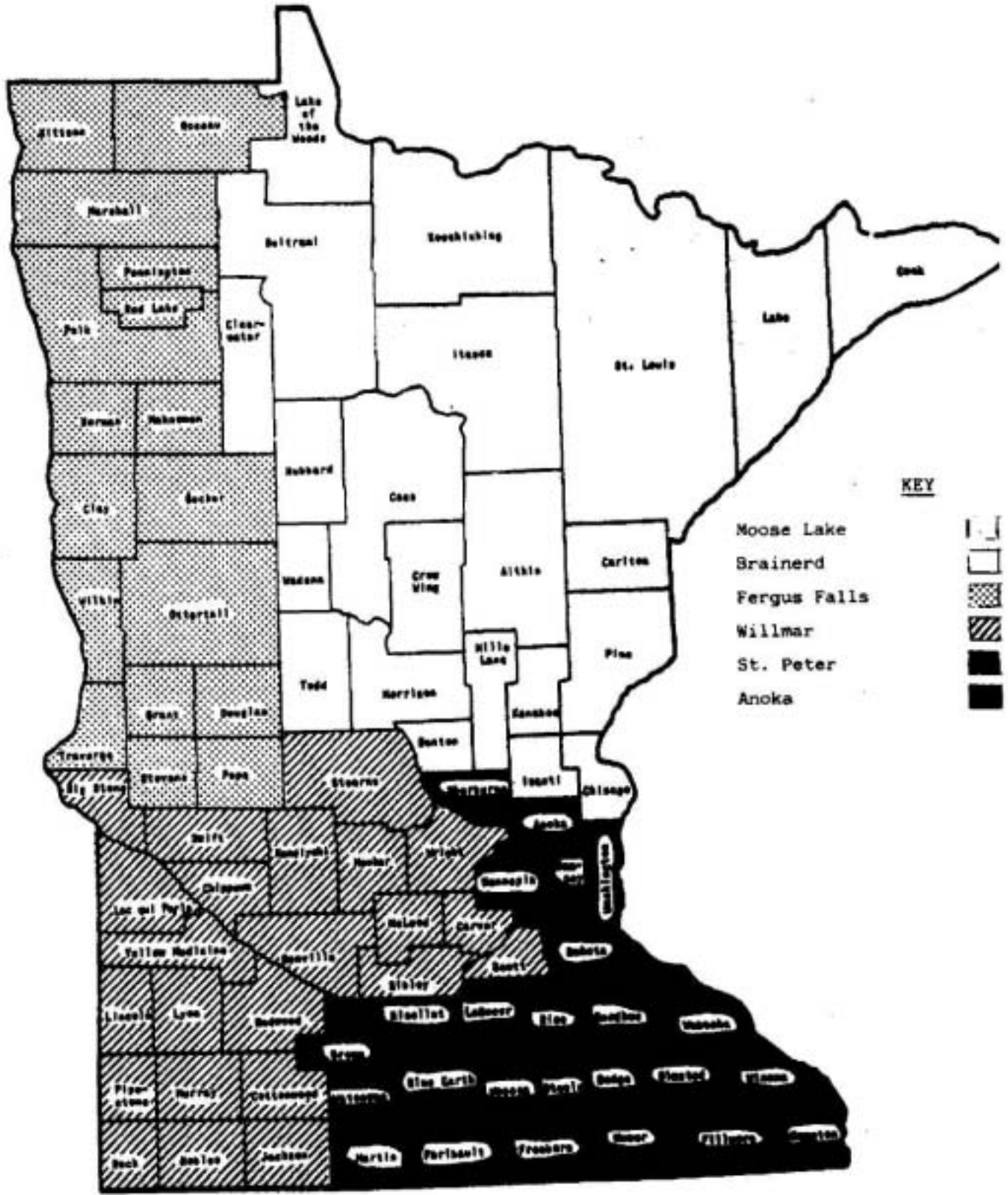


Arthur E. Neat
Commissioner

STATE HOSPITAL RECEIVING DISTRICTS - MENTALLY RETARDED

Effective September, 1981

<u>Fergus Falls State Hospital</u>	<u>Faribault State Hospital</u>
Kittson	Hennepin
Roseau	Dakota
Marshall	Rice
Pennington	Goodhue
Red Lake	Wabasha
Polk	Steele
Norman	Dodge
Mahnomen	Olmsted
Clay	Winona
Becker	Freeborn
Wilkin	Mower
Traverse	Fillmore
Grant	Houston
Douglas	
Otter Tail	<u>Cambridge State Hospital</u>
Pope	Sherburne
Stevens	
<u>Willmar State Hospital</u>	Anoka
	Ramsey
Big Stone	Washington
Swift	Chisago
Lac qui Parle	Isanti
Chippewa	Mille Lacs
Kandiyohi	Kanabec
Meeker	Pine
Wright	<u>Brainerd State Hospital</u>
McLeod	
Yellow Medicine	Lake of the Woods
Renville	Beltrami
Lincoln	Clearwater
Lyon	Hubbard
Redwood	Wadena
Pipestone	Todd
Murray	Stearns
Cottonwood	Benton
Rock	Morrison
Nobles	Crow Wing
Jackson	Aitkin
	Cass
<u>St. Peter State Hospital</u>	Itasca
Carver	Koochiching
Sibley	<u>Moose Lake State Hospital</u>
Scott	
Nicollet	St. Louis
LeSueur	Carlton
Brown	Lake
Watonwan	Cook
Blue Earth	
Waseca	
Martin	
Faribault	



KEY

- Moose Lake
- Brainerd
- Fergus Falls
- Willmar
- St. Peter
- Anoka

Effective September, 1981

Fergus Falls State Hospital	St. Peter State Hospital
Kittson	Brown
Roseau	Watonwan
Marshall	Martin
Pennington	Nicollet
Red Lake	Blue Earth
Polk	Faribault
Norman	LeSueur
Mahnomen	Waseca
Clay	Freeborn
Becker	Rice
Wilkin	Steele
Ottertail	Mower
Traverse	Goodhue
Grant	Dodge
Douglas	Fillmore
Stevens	Wabasha
Pope	Olmsted
	Winona
<u>Willmar State Hospital</u>	Houston
Big Stone	<u>Moose Lake State Hospital</u>
Stearns	Koochiching
Swift	Itasca
Kandiyohi	St. Louis
Meeker	Lake
Wright	Cook
Lac qui Parle	Carlton
Yellow Medicine	Mille Lacs
Renville	Kanabec
McLeod	Isanti
Carver	Chisago
Sibley	Pine
Scott	
Lincoln	<u>Brainerd State Hospital</u>
Lyon	Lake of the Woods
Redwood	Beltrami
Pipestone	Clearwater
Murray	Hubbard
Cottonwood	Cass
Rock	Todd
Nobles	Wadena
Jackson	Crow Wing
Chippewa	Morrison
	Benton
<u>Anoka State Hospital</u>	Aitkin
Sherburne	
Anoka	
Hennepin	
Dakota	
Ramsey	
Washington	

STATE HOSPITAL RECEIVING DISTRICTS - CHEMICALLY DEPENDENT

Effective September, 1981

Fergus Falls State Hospital	Brainerd State Hospital
Kittson	Lake of the Woods
Roseau	Beltrami
Marshall	Clearwater
Pennington	Hubbard
Red Lake	Cass
Polk	Wadena
Norman	Crow Wing
Mahnomen	Aitkin
Clay	Todd
Wilkin	Morrison
Traverse	Benton
Becker	
Otter Tail	Moose Lake State Hospital
Grant	Koochiching
Stevens	Itasca
Pope	St. Louis
Douglas	Lake
Willmar State Hospital	Cook
Big Stone	Carlton
Lac qui Parle	Mille Lacs
Yellow Medicine	Kanabec
Lincoln	Pine
Lyon	Isanti
Redwood	Chisago
Pipestone	Ramsey
Murray	Washington
Cottonwood	St. Peter State Hospital
Rock	Brown
Nobles	Watonwan
Jackson	Martin
Swift	Nicollet
Chippewa	Blue Earth
Renville	Faribault
Kandiyohi	LeSueur
Meeker	Waseca
Wright	Freeborn
McLeod	Rice
Sibley	Steele
Carver	Goodhue
Scott	Dodge
Stearns	
Anoka State Hospital	Mower
Hennepin	Fillmore
Dakota	Wabasha
Anoka	Winona
Sherburne	Houston

KEY FINDINGS

- The Rochester State Hospital is a special purpose property that has less market value than the State Legislature may have believed. The State's appraiser found the property had a market value of \$5.35 million, but the State could expect it to take three or more years to sell, which would further reduce revenues from its sale.
- That the State of Minnesota could use portions of this property to meet the needs of other state agencies and thereby save the State millions in reducing the need to expand funds for capital projects.
- National advertising and local efforts have failed to identify a potential buyer for the entire campus. The Rochester State Hospital campus is a large single-purpose facility, 160 acres, 64 structures, and 470,000 square feet of space in the patient service buildings. Conversion to another use will most likely require bringing the buildings up to current building codes. Architects and contractors who have inspected the buildings gave preliminary estimate conversion costs of \$38.00 per square foot. Conversion costs for potential buyer(s) will be very high.
- That there is need and interest by regional and local public and private not-for-profit organizations to lease or acquire facilities and the undeveloped acreage on the campus.
- There is a strong belief that the Rochester State Hospital campus should remain in the public domain. It was constructed with public funds: other public needs that it can provide have been identified; revenues from the sale of the property will be low; savings to Minnesota taxpayers can be realized by using this facility for other state and regional needs.
- The decision to close the Rochester State Hospital was made quickly and without detailed study. Sale of the property in 1982 without a more in-depth analysis of the feasibility and desirability of converting the campus to other public uses would not be in the public interest.
- Closure and sale of the Rochester State Hospital property puts in jeopardy four regional programs that lease space on the campus from the State of Minnesota: PORT, Zumbro Valley Mental Health Center, Zumbro Valley Detoxification Center, and Pine Circle. None of these programs have been able to find other facilities in the community.
- The closure of Rochester State Hospital reduces access to treatment services for all of Southeastern Minnesota and reduces services to the balance of the state by increasing the demands on the remaining state hospitals.
- The Department of Public Welfare has a long-range goal of having state hospitals managed by the regions. There is an opportunity to use the Rochester State Hospital closure to attempt such regional service delivery.

KEY FINDINGS (continued)

- The majority of Rochester State Hospital patients paid all or part of their treatment costs through public assistance funds. Financial reimbursement in the public-funded sector currently has a built in incentive for the use of the state hospitals. Changes in the reimbursement for mental health treatment of the medically indigent could create treatment alternatives and reduce reliance on the state hospital system.
- The Rochester State Hospital provided a wide range of out-patient, consultative services to community-based programs that will be permanently lost to Southeastern Minnesota communities. There is, however, sufficient demand and local expertise to replace certain in-patient services for region-wide use.

RECOMMENDATIONS

FACILITIES COMMITTEE RECOMMENDATIONS:

1. The Rochester State Hospital property should be converted to a rectorial center serving all residents in Southeastern Minnesota, with the entire 160 acre campus dedicated primarily for public and non-profit services in the areas of mental illness and disability, chemical dependency, education, and corrections,
2. Existing facilities of the Zumbro Valley Mental Health Center, the Zumbro Valley Detoxification Center, Pine Circle, and PORT, all housed on the campus prior to the closure of the hospital, should continue to have facilities available for their use until development of a comprehensive plan for the State Hospital campus, and, if at all possible, integrated into the overall plan.
3. The joint proposal from Winona State University, Rochester Community College and Rochester Vocational/Technical Institute to provide post-secondary education courses which should be encouraged by local groups and individuals as well as their respective boards. The State of Minnesota should be asked by these boards to expedite the procedures necessary to allow those educational institutions to utilize the Rochester State Hospital facilities. Some remodeling resources will be necessary to utilize State Hospital buildings for post-secondary educational purposes. However, conversion will not only provide needed educational additional space but will result in potential savings to the State of Minnesota over the new construction proposed for these institutions.
4. The State of Minnesota should be encouraged to relocate the Women's Correctional Facility at the Rochester State Hospital site. Such use would be compatible with the post-secondary educational opportunities available together with the services of the Religious Activates Center.

FACILITIES COMMITTEE RECOMMENDATIONS:(continued)

Futhermore, it would afford virtually no threat to public safety and it would help offset the adverse economic impact caused by the Rochester State Hospital closing. The relocation of the Women's Correctional Facility to the Rochester State Hospital campus would also result in significant savings to the State of Minnesota versus the cost of building new facilities.

5. The Minnesota State Legislature should reconsider the planned sale of this property. The Minnesota State Legislature should be asked to pass special legislation which would allow for the property to be maintained by the State or transferred without cost to some other public group to manage by July 1, 1983. The State of Minnesota or some other group should manage the property so it continues to remain in the public domain for the benefit of all the citizens of Southeastern Minnesota.
6. Priority should be given to the preparation of a land use and long-range development plan for the campus to serve as a decision-making tool and a guideline for the management of the property. This plan should allow portions of the property to be sold, either to facilitate use by the public and non-profit organizations or to assist with financing the over all development and operations cost of the property. No portion of the property should be sold until the plan is completed.
7. The State of Minnesota should appoint a commission having the authority to develop an economically feasible plan on behalf of the managing entity. The commission should be a small action group having representation from the Legislature, the State Department of Administration, the Department of Public Welfare, interested regional county Commissioners and local persons familiar with the Rochester State Hospital Task Force activities. Staff support and funding will be necessary for the commission.

SERVICES COMMITTEE RECOMMENDATIONS:

1. The closure of Rochester State Hospital severely restricts access to a number of services by residents of Southeastern Minnesota. Southeastern Minnesota counties should take immediate steps to assess the possibility of establishing four critical services which reflect the highest priorities for their residents:
 - (a) a legal holds unit for mentally ill adults.
 - (b) short-term (60-day maximum psychiatric inpatient treatment of adults.)
 - (c) a comprehensive inpatient treatment unit for geriatric mentally ill patients.
 - (d) a 10 to 28 day primary inpatient treatment program for chemically dependent adults.
2. Legislation should be introduced to improve the reimbursement for medically indigent persons in community-based mental health facilities and

SERVICES COMMITTEE RECOMMENDATIONS: (continued)

- Increase the financial incentives for counties to use community-based care.
3. To avoid further disruption of mental health and other services, the State of Minnesota should make prompt decisions regarding the disposition of the Rochester State Hospital complex, with special attention to agencies who currently lease space on the campus, i.e., Zumbro Valley Mental Health Center, PORT, and Pine Circle.
 4. Existing community/regional services providers should assess their abilities to absorb area patients displaced by the hospital closure. Interim service needs of the mentally ill and the mentally retarded also have to be addressed.
 5. Regional support for the establishment of long-term residential care services for the mentally retarded should continue.
 6. Continued attention should be focused on determining the viability of replacing the other services that have been lost as a result of the State Hospital closure. Proposals for replacement of these services should be encouraged. Such proposals should be directed to County Boards of Commissioners in Southeastern Minnesota.

RELIGIOUS ACTIVITIES CENTER RECOMMENDATIONS:

1. The Religious Activities Center, which was built with donations from the religious community of Southeastern Minnesota, should continue to be used in an ecumenical way to meet some of the human needs of this part of the state.
2. Whether the building is retained by the State, transferred with other buildings on the campus to a public agency or deeded to a new or existing not-for-profit organization, it is the strong recommendation of this committee that the initial intent of the donors continue to be honored.

For additional information or questions please contact Sheila Kiscaden. Human Services, Olmsted County Courthouse, 515 2nd Street S.W. Rochester, Minnesota 55901 or phone 507 (285-8112).